

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 31, 1995

SUBJECT: **SB 675 - HB 1229**

This bill, if enacted, will include in the basic education program (BEP) formula an amount of money sufficient to fund one alternative school per local education agency for suspended or expelled students in grades k-12 or one alternative school per 25,000 students if a local education agency has a total enrollment of 25,000 or more students in grades k-12.

The fiscal impact from enactment of this bill is estimated to be an increase in state and local government* expenditures. Such increase will depend on the number of additional alternative schools which will be required under the provisions of the bill. A reasonable estimate of the increase cannot be determined but is estimated to exceed \$100,000.

The BEP formula already contains an alternative school component which, for 1994-95, funds each system at \$2.14 per total ADM plus \$17.94 per ADM in grades 7-12. This generated a statewide total of approximately \$8.3 million in the BEP formula for 1994-95.**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director

**Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

****For 1995-96, the alternative school component is estimated to fund each system at \$2.21 per total ADM plus \$18.54 per ADM in grades 7-12 for a statewide total of approximately \$8.9 million.**